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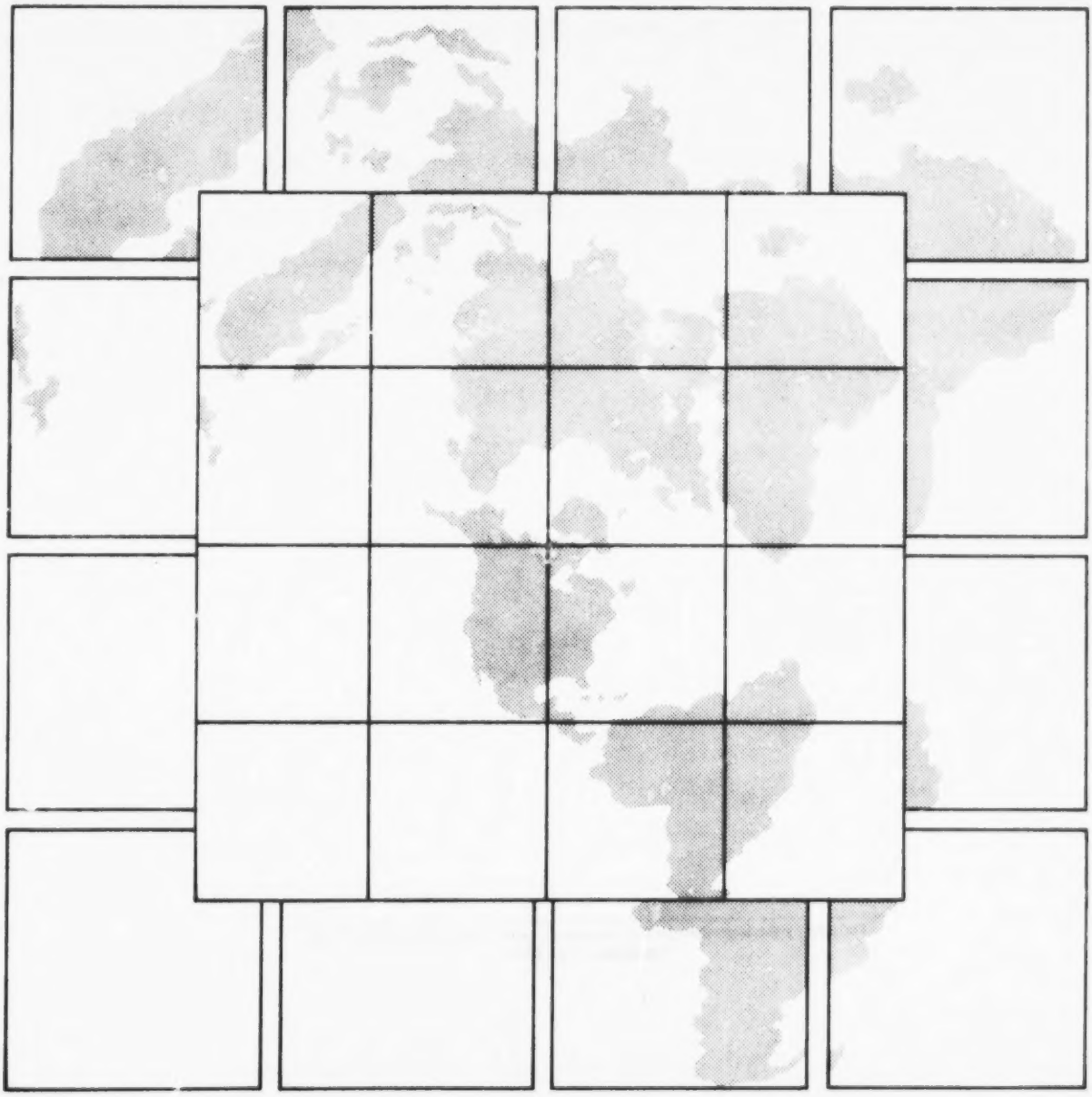

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FOREIGN LABOR TRENDS REPORT

ZIMBABWE

1987-88

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INTRODUCTION AND SUMMARY

The long process of consolidating the many fragmented trade unions, which were both inherited from the colonial and white-ruled regimes and which sprang up spontaneously after independence in 1980, essentially was concluded in 1987. This policy of "one industry one union" was largely prompted by the Government in an effort to rationalize the organization of the trade unions under the aegis of the Zimbabwe Confederation of Trade Unions (ZCTU). According to the ZCTU, 30 constituent unions with a combined membership of 162,600 make up the labor confederation. Organized labor accounts for 17 percent of the work force.

Organized labor's biggest issue is increasing the minimum wage to a "living wage" that is 49 percent higher than the current minimum wage for industrial workers and 174 percent higher than the lowest wage for semi-skilled laborers. In July 1987, the Government denied this issue to collective bargaining by imposing a wage/price freeze as part of an anti-inflation austerity program. The Government removed the wage freeze in March 1988, but set new minimum wage guidelines which have effectively become wage increase targets. This minimum wage increase averages 15 percent which approximates the rate of inflation. Nonetheless, the ZCTU contends that, in real terms, wages have decreased two percent since 1980.

It is highly unlikely that the workers will see the minimum wage approach the ZCTU's "living wage" target in the foreseeable future. Even though representatives of management and labor can now negotiate new wage scales, agreements on wages must be approved by the Ministry of Labor, and it is improbable that the Ministry will approve wage increases which exceed the government-mandated "minimum wage" increases. At the same time, the Government insists that it must "assist" workers in their negotiations with management because of management's advantages over the unions in terms of professional negotiating skills and financial resources.

Organized labor has been unable to maintain successful job actions because the Government has the prerogative under the Labor Relations Act to declare specified industries as "essential". Under the act, "essential industries" cannot be struck.

There are no trade unionists who are members of Parliament, and since the formation of a new cabinet in January 1988, the relationship between the ZCTU Executive and the

Minister of Labor has become more contentious. There has also been some heated exchanges among the trade unionists themselves. These exchanges may be a prelude to the ZCTU's national congress scheduled for July. Elections for ZCTU offices take place at this congress.

Finally, the range of action available to the labor movement is severely limited by the political, economic, and social consequences posed by an approaching unemployment crisis. For the foreseeable future, thousands of job-seeking high school graduates in ever increasing numbers will continue to enter a labor market that is incapable of absorbing them. The Government is now preoccupied with trying to promote job creation but this policy is constrained by a dearth of public funds, a generalized lack of local or foreign private investment, and the absence of a well thought-out development strategy.

GENERAL WORK FORCE-RELATED ISSUES

Unemployment and the "school leaver" problem: creating jobs to absorb the thousands of adolescents entering the work force is Zimbabwe's greatest social problem. Unemployment in Zimbabwe, currently estimated at 16 percent, will rise at an alarming rate as more secondary school graduates enter a labor market in which few jobs are being created. A U.S. Agency for International Development (USAID)-funded University of Zimbabwe study estimates that between 1986 and 1990, some 857,000 students will enter a job market that has only 144,000 openings. At this rate, unemployment will reach 24 percent by 1990. The Government, particularly the Ministries of Labor and Education, are very concerned about this "school leaver problem", but no concrete proposals for job creation have been recommended. A Ministry of Labor official suggested in October 1987 that the Government curtail the expansion of the primary and secondary school system, but such a remedy seems politically unacceptable in view of the longstanding government policy on universal education.

Wage freeze lifted: in March 1988, the Government announced new guidelines for minimum increases in a variety of wage categories. This act effectively ended a freeze which the Government imposed on all wage categories in July 1987 as part of a general wage/price freeze policy. The maximum increase has been realized in the lower range of the wage scale. The monthly minimum wage for yard and garden workers increased by 17.5 percent from Z$85 to Z$100 (approx. US$58). The

Government also selectively removed the price freeze in May 1988 permitting a five percent increase in many items excluding staples like milk and bread.

National pensions scheme: during his May Day address, President Mugabe announced the Government's intention to implement a national pension's scheme for all workers. The president did not say how the scheme will work or be financed, nor did he elaborate on the relationship between the new government-mandated national pension scheme and the established occupational pension schemes now enjoyed by some private and public sector employees.

Enactment of welfare bill: in April 1988 Parliament enacted a "social welfare assistance bill". This act will provide Z$25/month (US$14) to destitute and indigent persons who are not entitled to other social insurance/assistance schemes. This is the first welfare legislation enacted in Zimbabwe, and it takes the place of a public assistance scheme that had been managed by the Department of Social Welfare without a legislative mandate. The previous scheme was financed through tax revenues and provided Z$15/month (US$8.5) to principal recipients. In the absence of unemployment insurance, this welfare scheme is the only public assistance for unemployed persons who are not victims of war. A government-mandated workman's compensation scheme financed by employer contributions is still available for disabled workers in certain industrial categories.

Revision of the Labor Relations Act: both employers and trade unionists are lobbying for the revision of the Labor Relations Act (LRA) of 1985. In particular, employers would like to see the clauses regarding the termination of employees amended to permit more flexibility in hiring/firing. In addition to defending the clauses on job security, the ZCTU hopes for the inclusion of provisions that permit payroll deductions for union dues and a limitation on the definition of "essential service industries". Under the present law, workers in industries which the government declares "essential", are not permitted to strike. Officials in the Ministry of Labor admit that the LRA needs to be revised but no action has been taken and no concrete proposals have been announced. Zimbabwean Chief Justice Enoch Dumbutshena (who is also the presiding judge on the labor tribunal which adjudicates labor/management disputes) stirred up the ire of the ZCTU when in November 1987 he told a meeting of the Employers Confederation of Zimbabwe (EMCOZ) that the LRA compels employers to keep "unproductive workers". Demands by the ZCTU for the chief justice's resignation were rejected.

Sexual harassment: over the past six months, local newspapers have been publishing a series of articles on the problem of alleged sexual harassment in the workplace, and a lively debate has developed over who is being exploited or disadvantaged. A variety of persons have complained in particular about practice of "sex for jobs". Some complain that employers exploit female job applicants by demanding sexual favors as an implicit condition for employment; others complain that unscrupulous female job applicants make sexual advances on employers to gain preferential consideration. Both the government and the trade unions have condemned these practices and have advised injured parties to report incidents of sexual harassment to unions officials and labor relations officers.

Worker participation in quality control: Director of the Standards Association of Central Africa Edward Williams recommended in November 1987 that a program of quality control be implemented in the workplace. Using the example of workers quality circles in Japan, Williams said that it was in the best interests of workers as producers and consumers to monitor the production of safe, quality goods. Quality assurance in Zimbabwe is voluntary, and the Standards Association funds its activities by levying a charge for affixing its seal of approval on a product. At present, the association has only inspected and approved 400 of the estimated 6,000 finished commodities produced in Zimbabwe. Neither the ZCTU nor the Ministry of Labor reacted to this recommendation.

ORGANIZED LABOR AFFAIRS

Strike activities: organized labor was unable in the last 12 months to sustain job actions against employers. In October 1987, members of the Shoemakers Union struck a factory because negotiated wage increases had not been implemented. The Ministry of Labor claimed that, in view of the wage/price freeze, the pretext for the strike was invalid and the strikers were compelled to return to work. In April 1988, 560 strikers on a timber estate were dismissed from their jobs when they refused to resume working.

Lack of political representation: the ZCTU perceived that it was slighted by the Government when a group of candidates elected to Parliament did not include a single trade unionist. The ZCTU complained that the Zimbabwe African National Union (ZANU), the Government's ruling party, should have included trade unionists on its slate. The ZCTU was particularly disturbed that ZANU included representatives of big business on

its slate of candidates. ZANU officials responded by saying that it was the ZCTU's responsibility to nominate its own candidates. (The election of new members of Parliament was needed to fill the vacancies created when a constitutional amendment abolished parliamentary seats reserved for white Zimbabweans.)

Fighting with the Minister of Labor: since the formation of a new cabinet in January 1988, the ZCTU has had a contentious relationship with Minister of Labor John Nkomo (no relation to Senior Minister and the Zimbabwe African People's Union (ZAPU) President Joshua Nkomo). A sharp war of words flared in May when Nkomo and the ZCTU executive traded accusations of maladministration and political interference. Several trade unionists aligned themselves with the labor minister and criticized the ZCTU leaders. A truce was arranged by the end of May, but it was expected the sparring might resume in July at the ZCTU national congress. It is believed that this latest round of disagreements between the Government and organized labor was a prelude to a battle over the election of a new ZCTU executive at the July congress.

"Living wage": over the past 12 months the ZCTU has reiterated its long-standing demand that government implement a "living wage" minimum of Z$277/month (US$158). This figure is extrapolated from a 1981 government-sponsored wage survey. The current minimum wage for the lowest industrial wage category is now Z$182 (US$105). At his 1988 May Day speech, ZCTU President Mutandare stated that, factoring in the costs of inflation, a minimum wage of Z$223 (US$128) would be necessary for wages in 1988 to equal wages in 1980, the year of Zimbabwean independence. Mutandare said, "In real terms, the present minimum wage is 2.4 percent below the level of $70 (the minimum wage) for 1980." Even with the lifting of the wage freeze, government-mandated minimum wages are 50-175 percent below the "living wage" target.

Contract workers: according to the ZCTU, an estimated 50,000 workers are employed as short-term contract laborers in private and parastatal industries at rates of pay below the government-mandated minimum wage. These "temporary" laborers are hired on 3-month contracts which permit employers to pay them below scale and avoid paying for bonuses, vacation time, and workman's compensation. Contract laborers are not protected by the strict regulations for dismissal under the Labor Relations Act. The ZCTU believes that many contract laborers are exploited and advise such workers to check with union officials to see if their contracts conform to government standards. Employers respond that the employment of contract workers is a cost saving alternative which permits workers to be hired for specific jobs and that such contracts comply with government regulations.

Organizing domestic workers: The Zimbabwe Domestic and Allied Workers Union (ZDAWU) founded in 1980 is still seeking the approval of the Ministry of Labor to form an "employment board" which will allow workers to engage in collective bargaining. The Government claims that it cannot sanction an employment board until workers have formed a viable association. The ZDAWU would like to implement a seven percent employer-employee contribution to the union and hopes that a revision of the income tax code will allow employers to deduct such contributions. An estimated 85,000 workers are employed in the domestics industry whose minimum wage has just been raised to Z$100.

U.S.-FUNDED SUPPORT

The AFL-CIO-sponsored African-American Labor Center (AALC) maintains a resident representative in Zimbabwe. The AALC provides fraternal assistance to Zimbabwean trade unions in the areas of educational seminars in literacy and the rights of women in the workplace, transportation, and the establishment of branch offices for ZCTU education officers. In particular, the AALC is paying for the furnishings and the first year's rent for education offices established in Bulawayo, Mutare, and Gweru. The AALC also provides financial assistance to help the ZCTU defray the costs of its national congress.

USAID has provided some US$15 million for manpower development under the Zimbabwe Manpower Development (ZIMMAN) projects I and II. Funding from these projects has been used for higher education, particularly graduate training, in both the United States and locally. Zimbabwean students have been awarded scholarships, and American academicians have been brought to teach in Zimbabwe. ZIMMAN funds have also been used for the procurement of equipment. The US$13 million allocated for the 1982 ZIMMAN-I projects has now almost entirely been allocated. The 1986 ZIMMAN-II project, originally funded for US$15 million, was reduced to US$2 million when USAID to Zimbabwe was suspended. ZIMMAN-II continues, albeit on a much reduced scale.

Three trade unionists received international visitor grants during 1987-88. The Assistant Secretary General for the National Union of Railwaymen, and the General Secretary of the Commercial Workers Union visited the United States in 1987. Also, in January 1988, the General Secretary of the Transport and General Workers Union visited the United States as the recipient of a grant.

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